

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

SUNCO TIMBER (KUNSHAN) CO., LTD.,

Plaintiff,

vs.

LINDA SUN, DAVID SUN, SHILLOCK
YUAN-SUN, and INFINITY WOOD
PRODUCTS, LLC,

Defendants.

Civ. A. No. 1:22-cv-10833-ADB

ANSWER AND COUNTERCLAIMS OF LINDA SUN

The defendant, Linda Sun, answers the complaint as follows.

1. Admitted.
2. Ms. Sun admits that she resides in Massachusetts but denies the remaining allegations of paragraph 2.
3. Admitted.
4. Admitted.
5. Admitted, except that Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegation concerning Infinity's principal place of business.
6. Ms. Sun denies that she is a member of Infinity or has any equity interest in it. She is without knowledge or information sufficient to form a belief about the remaining allegations of paragraph 6.
7. Admitted.
8. Admitted.

9. Admitted, except that Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegation that Sunco is still in the business of manufacturing cabinetry.

10. Admitted, except that Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations concerning Infinity's current business.

11. Admitted.

12. Admitted.

13. Admitted.

14. Denied, except that Mrs. Sun admits that Sunco was founded in Kunshan, China.

15. Admitted as of the relevant times. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegation concerning Sunco's business now.

16. Mrs. Sun admits that in the past, she was the president of Sunco. She otherwise denies the allegations of paragraph 16.

17. Admitted, except that Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegation that the orders were custom.

18. Denied.

19. Mrs. Sun admits that she lived at the Sunco factory until 2019.

20. Denied.

21. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 21.

22. Denied.

23. Denied.

24. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 24.

25. Admitted, except that Mrs. Sun denies that Shillock appears as a manager in the records of the Secretary of State after 2021.

26. Mrs. Sun denies that she is an equity holder of Infinity and otherwise lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 26.

27. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 27.

28. Mrs. Sun denies that she received any distributions from Infinity and otherwise lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 28.

29. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 29.

30. Admitted

31. Admitted, except that Linda lacks knowledge or information sufficient to form a belief about the truth of the allegations concerning the custom nature of the orders.

32. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations concerning the allegations of paragraph 32.

33. Admitted.

34. Admitted.

35. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 35.

36. Denied on the grounds that the allegation is insufficiently precise to answer. Mrs. Sun admits that beginning in 2018, tariffs were imposed on certain products imported from China.

37. Mrs. Sun admits that there were tariffs on Chinese wood products but lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 36 concerning the dates tariffs became effective or the percentages of the tariffs.

38. Mrs. Sun admits that in 2019 there were additional duties imposed on Sunco products but lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 38 concerning the relevant dates or the percentages.

39. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 39.

40. Admitted.

41. Mrs. Sun denies that Sunco acted under her direction and lacks knowledge or information sufficient to form a belief about the truth of the other allegations of paragraph 41.

42. Mrs. Sun admits that Infinity is a wholesaler or distributor or cabinetry products and that it marks up its products but lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations of paragraph 42.

43. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 43.

44. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 44.

45. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 45.

46. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 46.

47. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 47.

48. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 48.

49. Admitted, except that Mrs. Sun denies that her travel was abrupt or unannounced.

50. Denied.

51. Denied.

52. Mrs. Sun lacks knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 52.

53. Denied.

54. Denied.

55. Denied.

56. Admitted, except that Mrs. Sun denies that Infinity ceased doing business with Sunco. Further answering, Mrs. Sun states that the two companies ceased doing business with each other.

57. Denied. Further answering, Mrs. Sun states that Mr. Wu was in complete control of the factory long before 2019.

58. Denied.

59. Mrs. Sun is without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 59.

60. Mrs. Sun is without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 60.

61. Mrs. Sun is without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 61.

62. Mrs. Sun is without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 62.

63. Denied.

64. Denied.

65. Denied.

66. Denied.

67. Denied.

68. Denied.

69. Mrs. Sun admits that she believed that the imposition of new duties and tariffs would have a materially adverse effect on Sunco's export of products to the United States and otherwise denies the allegations of paragraph 69.

70. Denied.

71. Denied.

72. Denied.

73. Admitted, except that Mrs. Sun states that the decision was made by an arbitral tribunal, not a court, and that Sunco US was an actual shareholder, not just a purported shareholder, of Sunco. Further answering, Mrs. Sun states that the denial was without prejudice.

74. Denied.

75. Denied.

76. Mrs. Sun incorporates her answers to paragraphs 1 to 75.

77. Count 1 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 77.

78. Count 1 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 78.

79. Count 1 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 79.

80. Count 1 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 80.

81. Count 1 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 81.

82. Count 1 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 82.

83. Count 1 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 83.

84. Count 1 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 84.

85. Count 1 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 85.

86. Count 1 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 86.

87. Count 1 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 87.

88. Count 1 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 88.

89. Mrs. Sun incorporates her answers to paragraphs 1 to 88.

90. Count 2 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 90.

91. Count 2 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 91.

92. Count 2 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 92.

93. Count 2 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 93.

94. Count 2 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 94.

95. Count 2 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 95.

96. Count 2 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 96.

97. Count 2 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 97.

98. Count 2 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 98.

99. Count 2 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 99.

100. Count 2 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 100.

101. Count 2 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 101.

102. Count 2 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 102.

103. Mrs. Sun incorporates her answers to paragraphs 1 to 102.

104. Count 3 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 104.

105. Count 3 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 105.

106. Count 3 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 106.

107. Count 3 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 107.

108. Count 3 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 108.

109. Count 3 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 109.

110. Count 3 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 110.

111. Count 3 pleads a claim only against Infinity. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 111.

112. Mrs. Sun incorporates her answers to paragraphs 1 to 111.

113. Count 4 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 113.

114. Count 4 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 114.

115. Count 4 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 115.

116. Count 4 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 116.

117. Count 4 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 117.

118. Count 4 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 118.

119. Count 4 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 119.

120. Count 4 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 120.

121. Count 4 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 121.

122. Count 4 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 122.

123. Count 4 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 123.

124. Count 4 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 124.

125. Count 4 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 125.

126. Mrs. Sun incorporates her answers to paragraphs 1 to 125.

127. Count 5 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 127.

128. Count 5 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 128.

129. Count 5 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 129.

130. Count 5 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 130.

131. Count 5 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 131.

132. Count 5 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 132.

133. Mrs. Sun incorporates her answers to paragraphs 1 to 132.

134. Mrs. Sun admits that in the past she was the president and a director of Sunco. She otherwise denies the allegations of paragraph 134.

135. Mrs. Sun is without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 135. Further answering, Mrs. Sun states that Sunco is a Chinese company, and Chinese law may apply to the question of her alleged duties to it.

136. Mrs. Sun is without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 136. Further answering, Mrs. Sun states that Sunco is a Chinese company, and Chinese law may apply to the question of her alleged duties to it.

137. Denied.

138. Denied.

139. Denied.

140. Denied.

141. Denied.

142. Mrs. Sun incorporates her answers to paragraphs 1 to 141.

143. Mrs. Sun is without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 143. In particular, Sunco is a Chinese company, and Chinese law may apply to the question of her alleged duties to it.

144. Mrs. Sun is without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 144. In particular, Sunco is a Chinese company, and Chinese law may apply to the question of her alleged duties to it.

145. Mrs. Sun is without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 135. In particular, Sunco is a Chinese company, and Chinese law may apply to the question of her alleged duties to it.

146. Denied.

147. Denied.

148. Denied.

149. Denied.

150. Denied.

151. Mrs. Sun incorporates her answers to paragraphs 1 to 150.

152. Count 8 has been dismissed against Mrs. Sun for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 152.

153. Count 8 has been dismissed against Mrs. Sun for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 153.

154. Count 8 has been dismissed against Mrs. Sun for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 154.

155. Count 8 has been dismissed against Mrs. Sun for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 155.

156. Mrs. Sun incorporates her answers to paragraphs 1 to 155.

157. Count 9 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 157.

158. Count 9 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 158.

159. Count 9 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 159.

160. Count 9 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 160.

161. Count 9 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 161.

162. Count 9 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 162.

163. Count 9 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 163.

164. Count 9 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 164.

165. Mrs. Sun incorporates her answers to paragraphs 1 to 164.

166. Count 10 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 166.

167. Count 10 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 167.

168. Count 10 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 168.

169. Count 10 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 169.

170. Count 10 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 170.

171. Count 10 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 171.

172. Count 10 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 172.

173. Count 10 has been dismissed for failure to state a claim on which relief may be granted. No answer is required. To the extent an answer is required, Mrs. Sun denies the allegation of paragraph 173.

174. Mrs. Sun incorporates her answers to paragraphs 1 to 173

175. Paragraph 175 is not an allegation of fact, and no responsive pleading is required. To the extent an answer is required, Mrs. Sun denies the allegations of paragraph 175.

176. Mrs. Sun denies that she controls Infinity and is otherwise without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 176.

177. Mrs. Sun denies that she has ever received distributions from Infinity and is otherwise without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 177.

178. Mrs. Sun is without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 178.

179. Mrs. Sun denies that she disbursed any monies received by Infinity and is otherwise without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 179.

180. Mrs. Sun is without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 180.

181. Mrs. Sun is without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 181.

182. Mrs. Sun denies that she directed Infinity to do anything or that she received any distribution of proceeds from Infinity and is otherwise without knowledge or information sufficient to form a belief about the truth of the allegations of paragraph 182.

183. Denied.

184. Denied.

185. Denied.

OTHER DEFENSES

In addition to all other defenses she has, Mrs. Sun asserts the following defenses:

1. The claims for breach of fiduciary duty are barred by res judicata or collateral estoppel. In particular, Sunco sued Mrs. Sun in Suzhou, China, asserting claims and raising issues that are the same as the claims and issues raised in the claim for breach of fiduciary duty

in this action. In 2021, the Suzhou Intermediate People's Court entered a judgment dismissing Sunco's claims against Mrs. Sun on the merits. That judgment is entitled to recognition under Massachusetts law, and once recognized, it bars Sunco's claim for breach of fiduciary duty. Mrs. Sun is seeking recognition of the Chinese judgment in her counterclaim.

2. Mrs. Sun cannot be liable for a breach of a fiduciary duty of loyalty because she had no conflicting loyalty: she was not a member or otherwise affiliated with Infinity and received no distributions from Infinity. Mrs. Sun also gives notice, pursuant to Fed. R. Civ. P. 44.1, that the law of China may govern the claim for breach of fiduciary duty.

3. Mrs. Sun cannot be liable on a claim for piercing the corporate veil because she is not a member or otherwise an owner of Infinity and has never received distributions from Infinity.

4. The claims may be barred in whole or in part by the statute of limitations.

5. The claims are subject to setoff.

COUNTERCLAIM

JURISDICTION

1. The counterclaim plaintiff, Linda Sun, is a citizen of Massachusetts.

2. The counterclaim defendant, Sunco Timber (Kunshan) Co., Ltd., is a Chinese corporation with its principal place of business in China.

3. The amount in controversy, exclusive of interest and costs, exceeds the sum or value of \$75,000.

4. The Court has jurisdiction under 28 U.S.C. § 1332(a)(2).

5. This counterclaim is so related to claims in the action within the Court's original jurisdiction, namely, the claim for breach of fiduciary duty, that it forms part of the same case or controversy.

6. The Court has supplemental jurisdiction under 28 U.S.C. § 1367(a).

CLAIM FOR RELIEF

Count One
Recognition of Foreign Judgment
G.L. c. 235, § 23A

7. Mrs. Sun incorporates the allegations of paragraphs 1 to 6.

8. Sunco sued Mrs. Sun in China for breach of fiduciary duty.

9. Following proceedings on the merits, the Chinese court entered judgment in favor of Mrs. Sun and against Sunco on Sunco's claim.

10. A true copy of the Chinese court's judgment ("the Chinese Judgment") is attached to this Answer and Counterclaim as Exhibit 1.

11. An accurate English translation of the Chinese judgment is attached to this Answer and Counterclaim as Exhibit 2.

12. The Chinese Judgment is final and conclusive and enforceable where rendered.

13. The Chinese Judgment denied recovery of a sum of money.

14. No grounds for non-recognition of the Chinese Judgment exist.

15. The Chinese Judgment is entitled to recognition under Massachusetts law.

DEMAND FOR RELIEF

Therefore, Mrs. Sun demands judgment against the counterclaim defendants for the following relief:

1. A declaration that the Chinese Judgment is entitled to recognition under Massachusetts law.
2. Costs.
3. Such other relief to which she may be entitled at law or in equity.

DEMAND FOR TRIAL BY JURY

Mrs. Sun demands trial by jury.

Respectfully submitted,

LINDA SUN

By her attorney:

/s/ Theodore J. Folkman

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Dated: April 25, 2023